

BONN CLIMATE CHANGE CONFERENCE: THURSDAY, 4 JUNE 2015

On Thursday, 4 June, the Bonn Climate Change Conference continued, with the ADP contact group taking stock of the work of the negotiating and facilitated groups. Facilitated groups took place on mitigation, and adaptation, and loss and damage in the afternoon, and on workstream 2 (pre-2020 ambition) and capacity building in the evening.

In the morning and afternoon, the second working group session of the multilateral assessment under the international assessment and review process took place.

A number of informal consultations convened under the SBI and SBSTA throughout the day. The 7th meeting of the SBSTA research dialogue and the in-session workshop on long-term finance took place in the afternoon. The workshop on long-term finance is summarized at: <http://www.iisd.ca/climate/sb42/enbots/4jun.html#event1>.

ADP

CONTACT GROUP: Stocktaking: ADP Co-Chair Ahmed Djoghlaf opened the session. SBSTA Chair Lidia Wojtal and SBI Rapporteur Sidat Yaffa (the Gambia) updated on SBSTA and SBI issues of relevance to the ADP.

Co-Chair Djoghlaf noted parties' concerns over the slow pace of the deliberations, lack of clarity on the method of work of facilitated groups and limited group coordination time. He said consultations with country groups and the facilitated group facilitators indicated the "mechanism" is working and progress has been made.

He proposed expediting the ADP's work by continuing facilitated groups, except on issues that need discussion at a later stage, including the preamble, definitions and final clauses, and moving "from the easiest toward the more complicated," by streamlining text, grouping options, clarifying concepts and identifying paragraphs to be addressed in COP decisions.

He reiterated that the Geneva text remains the only official document, with other documents issued as non-papers, and that any "transfer of issues" to text taken up in COP decisions does not undermine their importance.

ADP Co-Chair Dan Reifsnyder indicated that the ADP Co-Chairs will provide guidance on the status of slashes and brackets in the Geneva text. Malaysia, for the LMDCs, stressed the need for such guidance.

On progress achieved so far, most parties welcomed the positive atmosphere while underscoring the need to accelerate the pace of work.

South Africa, for the G-77/CHINA, and EGYPT noted that issues are advancing at unequal speed, which may lead to an unbalanced process. Switzerland, for the EIG, said the different pace should be recognized but not raise concerns.

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On the time remaining in Bonn, the G-77/CHINA, the LMDCs and BRAZIL suggested discussing cross-cutting issues, and, with Australia, for the UMBRELLA GROUP, and Angola, for the LDCs, addressing workstream 2.

The UMBRELLA GROUP, the EIG and the EU proposed that parties: "unpack issues"; reorganize text; and explain their proposals. BRAZIL suggested that the Secretariat cluster the issues in the Geneva text.

The LMDCs, supported by IRAN and the EU, suggested working on critical areas, such as mitigation, adaptation and MOI, and prioritizing and sequencing key elements.

The UMBRELLA GROUP, the EU, BRAZIL and the LDCs, opposed by the LMDCs, proposed identifying elements that will go into a decision text.

On deliverables from Bonn, the EU and Sudan, for the AFRICAN GROUP, called for a streamlined text.

The LMDCs, opposed by the EIG, suggested incorporating the streamlined paragraphs into the Geneva text. BRAZIL proposed incorporating all parts of the Geneva text that were not streamlined into a working document. INDIA suggested a "working document 1," comprising the consolidated portions in the Geneva text, to serve as the basis for the next ADP meeting.

The G-77/CHINA, the EU and the LMDCs stressed the need for a draft decision on workstream 2.

Parties agreed that facilitated groups would continue as proposed, with another stocktaking planned for Monday, 8 June.

FACILITATED GROUPS: Adaptation, and Loss and Damage: In the afternoon, delegates continued streamlining paragraphs in the Geneva text based on the Secretariat's proposal, agreeing to consolidate text in paragraph 65.3 option a, sub-options i and ii on further strengthening institutional arrangements.

To streamline the text, co-facilitator Andrea Guerrero proposed a methodology for clustering issues, presenting a table with columns for: themes; paragraphs; and text. She suggested first discussing the themes column.

Parties discussed this methodology, adding a column for issues to be addressed in decisions. The EU, Bolivia, for G-77/CHINA, and the US made suggestions on themes.

Many parties expressed reluctance to move forward with this methodology if the other facilitated groups are not doing the same. Co-facilitator Guerrero reassured delegates that the same approach was being used by the facilitated group on mitigation.

Delegates continued to discuss possible clustering themes. Based on this discussion, the Secretariat displayed a preliminary list of themes in the table.

Parties then discussed modes of work for clustering.



<http://enb.iisd.mobi/>

Responding to concerns that the table would result in some parties' views being left behind or be construed as parties' positions, co-facilitator Guerrero stressed that the table is an internal tool for tracking progress and confirmed it would be distributed to delegations.

Parties agreed to work on the basis of the table and to submit their views on the themes before the group reconvenes on Saturday.

Mitigation: Co-facilitator Franz Perrez facilitated the session. Parties considered Australia's proposal to "unpack" paragraph 39, in relation to paragraphs 24 and 49, containing principles of: accounting; land use; market use and institutional arrangements of markets.

The EU presented its proposal on general accounting principles and identified overlaps with the land-use sector. Kenya, for the AFRICAN GROUP, opposed considering accounting, suggesting it is better placed under transparency.

BRAZIL cautioned against clustering accounting and market issues, suggesting accounting relates to transparency and compliance. On paragraph 39, he outlined three perspectives: markets involve international transfers, to be assessed through standards established by the COP; current experiences from the Kyoto Protocol mechanisms, CDM and EU Emission Trading System (EU ETS) should be built upon; and no market mechanisms should be established, in particular for the land-use sector.

Chile, for AILAC, suggested sub-issues under market use could be "shuffled" at a later stage. SAUDI ARABIA and VENEZUELA opposed discussing markets at this stage. BOLIVIA called for including non-market based approaches.

Saint Lucia, for AOSIS, observed markets are more related to the mitigation than the transparency section and recognized the potential to cluster: purpose of market mechanisms and principles for their use; accounting of market transfers; elaboration of further rules; and consistent use of estimation methodologies, adjustments and common metrics.

AOSIS noted linkages among market use, compliance system, net benefits, and, with TUVALU and BRAZIL, eligibility rules to ensure environmental integrity.

Several parties suggested addressing general principles in the agreement and leaving details to decisions, with some noting in-depth discussions on market mechanisms and arrangements in other fora. Parties agreed to begin the next session by focusing on paragraph 21 on preparing mitigation commitments/contributions/actions.

SUBSIDIARY BODIES

MULTILATERAL ASSESSMENT AND REVIEW (SBI):

In the morning, SBI Chair Amena Yauvoli opened the session.

AUSTRALIA presented energy-related measures and its direct action plan, including an AUS\$2.55 billion Emission Reduction Fund and a safeguard mechanism.

Responding to questions, AUSTRALIA noted positive responses by business to the initial auction of abatement contracts and explained the objective of the safeguard mechanism is not to achieve additional abatement, but rather to contain emissions from large facilities.

BELGIUM presented his country's target to reduce emissions from sectors covered by the EU ETS by 15% compared to 2005 levels in the context of the EU's 2020 climate and energy package.

Responding to a question, he stated that significant gains in the waste sector had been achieved through the capture of methane emissions from landfills.

BULGARIA said her country has enacted legislation on mitigation, renewable energy and energy efficiency. In response a question, she explained that Bulgaria's decline in emissions from 1988-2011 is largely attributable to declining GDP during the transition to a market economy.

CANADA outlined actions geared toward meeting its economy-wide target of reducing emissions by 17% from 2005 levels.

Responding to a question, she said many of the impacts of implementation measures are not estimated in the country's reporting, as the interaction between provincial and national policies complicate calculating their individual effects.

In the afternoon, the CZECH REPUBLIC stated that decreasing coal use, and increasing nuclear and renewable energy shares are driving the country's energy sector emissions downwards. On a question on domestic renewable energy policies, he mentioned a FiT scheme, support for investments in renewable heat, and a biofuel mandate.

ESTONIA highlighted the decoupling of its economic and emissions growth, and its ratification of the Doha Amendment. He said mitigation efforts will focus on the transport sector. Questions addressed the sharp emissions decrease in 1990-1993 and deforestation rates.

GERMANY pointed to its 40% emissions reduction target for 2020 compared to 1990 levels, and its 80-85% target for 2050. Questions addressed: the difference between the German and the EU targets; FiT policies; and emissions from the waste and shipping sectors.

Answering questions on the attribution of emission reductions, GREECE said national emissions have fallen due to the economic recession but noted an expected total mitigation effect of 40 Mt of CO₂ equivalent in 2020 from policies and measures, including decommissioning inefficient thermal power plants and raising the share of renewables.

HUNGARY pointed to: decreasing CO₂ emissions per capita; increased climate change public awareness; and the upcoming adoption of the second national climate change strategy. Questions addressed emission projections to 2020 and the financial instruments used to achieve mitigation targets.

ICELAND highlighted: a nearly 100% renewables share in the power and heating mix; the high share of industrial processes in the country's emissions; and mitigation opportunities in fisheries, transport, and afforestation and revegetation. Responding to a question on policies for heavy industries, he highlighted their inclusion in the EU ETS and fluorocarbon regulation.

IRELAND noted a sharp decline in GDP per capita emissions since 2001 and stressed that 45% of its non-ETS emissions come from the already efficient agricultural sector, which presents a significant challenge. Questions addressed mitigation measures and strategies in the transport sector.

Underscoring the impact of the 2011 earthquake on the country's energy sector emissions, JAPAN noted that a firm target for 2020 will depend on developments in restarting the country's nuclear plants. Questions addressed, *inter alia*, the sharing of credits from, accounting rules for, and international verification of, Japan's Joint Crediting Mechanism.

IN THE CORRIDORS

As a sunny Thursday dawned on the World Conference Center Bonn, many expressed cautious optimism about agreement to move "from the easier towards the more difficult" during the morning ADP stocktaking. In the afternoon, however, some wondered whether the newly-adopted approach to consider the negotiating text on the basis of lists that cluster themes would significantly advance the process.

Commenting on the reduction by only 5% of the text after three days of arduous work, one seasoned delegate felt the "mood was right, but the pace too slow." While recognizing that the Geneva text "needs to be handled with care," many delegates could not help but nervously consider the dwindling number of negotiating days as they emerged into the balmy summer evening.